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DE RUEHC #8489 2091551
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R 281535Z JUL 09
FM SECSTATE WASHDC
TO RUEHSA/AMEMBASSY PRETORIA 0000
INFO RUETIAA/DIRNSA FT GEORGE G MEADE MD 0000
RUEAIIA/CIA WASHINGTON DC 0000
RHMCSUU/FBI WASHINGTON DC 0000
RUEKJCS/SECDEF WASHINGTON DC
RUCPDOG/USDOC WASHINGTON DC 0000

UNCLAS STATE 078489

SIPDIS
PRETORIA FOR MADELINE SEIDENSTRICKER

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [SF](#)
SUBJECT: BLUE LANTERN LEVEL 3: POST-LICENSE/PRE-SHIPMENT
END-USE CHECK ON LICENSES 050170678 AND 050170688

¶1. This is an Action Request. See paragraphs 2 - 4.

¶2. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Post's assistance in conducting a post-license/pre-shipment check on license 050170678 and 050170688 for the export of ammunition to South Africa. Post is requested to complete this Blue Lantern check within 30 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

¶3. Reason for Request: These are the first two PM/DDTC export licenses to which end-user African Outdoor Sports is party. The import authorization documentation submitted in support of these licenses is not/not specific to the transactions. The document submitted for 050170678 appears to be a letter from the South African Police Service explaining in general terms the regulations of unprimed cartridge cases. The document submitted for 050170688 appears to be an authorization for African Outdoor Sports to import firearms and ammunition in general. Therefore, it is unclear if the proper import authorization for these specific transactions was granted. This request is to establish the bona fides of the company and these transactions and to establish the annual sales for African Outdoor Sports.

¶4. Action Request: Post is requested to establish the bona fides of end-user African Outdoor Sports and these transactions by making inquiries to representatives of the company and appropriate authorities of the Government of South Africa. Post is also requested to establish the company's annual sales and determine if the large quantity of ammunition on these licenses is warranted. The following points are included for guidance:

(To the African Outdoor Sports)

--When was your company established and who are its principals? What products and services does your company provide?

--How long have you been in the business of importing and selling defense articles? Who are your regular customers and where do they reside?

--What specific ammunition components will you import on these licenses? What calibers will the finished ammunition be? For what is ammunition of this caliber generally used for in South Africa?

--Why did you issue two separate purchase orders on these transactions as opposed to placing one order with the U.S. vendor?

--What are your annual sales of firearms and ammunition?

--Are you familiar with the regulations governing the import of U.S.-origin defense articles, including restrictions on re-transfer or re-export?

(To GOSA Export/Import Authorities)

--Is African Outdoor Sports properly authorized to import and sell defense articles in South Africa? Is the company properly authorized to import this large quantity of ammunition components?

--What authorization is required to import ammunition components into South Africa? Are there any restrictions on the calibers and quantities of ammunition that is sold commercially?

--Do you have any information on African Outdoor Sports that would question their reliability as a recipient of U.S. defense articles?

In its reply, Post is encouraged to comment on any information pertinent to this transaction such as security of facilities, end-use, and concerns about the entities involved.

15. Details of license applications:

1A.

DTC Case: 050170678

QUANTITY/COMMODITY:

823,000 Ammunition Components, Calibers .17 - .458

License Value: USD \$213,980

SELLER:

Hornady Manufacturing Co
3625 Old Potash Hwy
Grand Island, NE 68803

FOREIGN END-USER:

African Outdoor Sports
26 Kyalami Industrial Park D26/30 Kyalami Road
Westmead 3610
Pinetown, KWA Zulu Natal
Tel: 27 (12) 991 2464
Email: riette@aosports.co.za / reno@aosports.co.za

PURPOSE:

For sale to hunters and sport shooters in South Africa

1B.

DTC Case: 050170688

QUANTITY/COMMODITY:

247,000 Ammunition Components, Calibers .17 - .458

License Value: USD \$200,070

SELLER:

Hornady Manufacturing Co
3625 Old Potash Hwy
Grand Island, NE 68803

FOREIGN END-USER:

African Outdoor Sports
26 Kyalami Industrial Park D26/30 Kyalami Road
Westmead 3610
Pinetown, KWA Zulu Natal

Tel: 27 (12) 991 2464
Email: riette@aosports.co.za / reno@aosports.co.za

PURPOSE:

For sale to hunters and sport shooters in South Africa

¶6. Submitted in support of the license application were the following documents (PM/DTCC will fax documentation to Posts upon request):

¶A.

DSP-83 signed by Tonya Finck (Hornady) dated 18 May 2009 and R.A.J van Heerden not/not dated

Letter Ref No 27/5/2/1 from the South African Police Service regarding unprimed cartridge cases signed by Supt Kruger (Tel: (012) 353 6057) dated 20 Oct 2008

Purchase Order No. AHS29016 from African Outdoor Sports signed by Reno van Heerden dated 02 Sept 2009

¶B.

DSP-83 signed by Tonya Finck (Hornady) dated 18 May 2009 and R.A.J van Heerden not/not dated

Permanent Import Permit issued by the South African Police Service signed by S. Govender dated 18 Dec 2008

Purchase Order No. AHS29015 from African Outdoor Sports signed by Reno van Heerden dated 02 Sept 2009

¶7. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Kyle M. Ballard, Phone: 202-663-1929; Email: BallardKM@state.gov; SIPRNET: BallardKM@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file on Intellipedia: <http://www.intelink.gov/wiki/> Blue Lantern End-Use Monitoring Program

¶8. Department is grateful for Post's assistance in this matter.
CLINTON